

**MICHIGAN FOREST FINANCE AUTHORITY
BOARD MEETING MINUTES
August 24, 2005**

A special Board meeting of the Michigan Forest Finance Authority (“Authority”) was held on August 24th, at 3:00 p.m. at the Bureau of Bond Finance Board Room – Treasury Building.

MEMBERS PRESENT: **Jay Rising, State Treasurer**
 Rebecca Humphries, Director–Department of Natural Resources
 James Smiertka (representing David Hollister)
 Paul Eisele
 Shawn Hagan
 Garrett Johnson
 Karen Potter-Witter
 Kelvin Smith
 Warren Suchovsky

MEMBERS ABSENT: **None**

CALL TO ORDER

Jay Rising called the Board meeting of the Authority to order at 3:05 p.m. Mr. Rising welcomed the members to the meeting. Mr. Rising then asked **Terry Grady of the Attorney General’s office** to provide an **overview of the Board’s administrative procedures**. Mr. Grady noted that the Board had **not been active for several years**. The past Board minutes and resolutions have been archived. Mr. Grady is in the process of **reviewing those materials, including the Bylaws**, and will report at the next meeting on any items that require the Board’s attention.

ELECTION OF CHAIR AND VICE CHAIR

A motion was made by member Paul Eisele and supported by member Shawn Hagan to nominate **Jay Rising as Chair of the Authority Board**. A voice vote was taken and the motion passed unanimously. A motion was made by member Garrett Johnson and supported by member Kelvin Smith to nominate **Rebecca Humphries as Vice Chair of the Authority Board**. A voice vote was taken and the motion passed unanimously.

OVERVIEW OF MICHIGAN FOREST FINANCE AUTHORITY LEGISLATION

Mindy Koch of the Department of Natural Resources gave a brief **overview of the Michigan Forest Finance Authority Act, Public Act 451 of 1994**. Ms. Koch noted that while recent **amendments to the Act have modified the Board size and make-up, the underlying purpose of the Act has not changed**. The Authority was created **to spur economic development through the retention, promotion and development of forestry and forest industries and to protect the health and vigor of forest resources**. Ms. Koch also noted that under the Act the State Forrester, Ronald Murray, serves as the **Executive Director of the Authority**.

STATUS OF FOREST CERTIFICATION

Lynne Boyd of the Department of Natural Resources reported that **pursuant to the Sustainable Forestry Act, Public Act 125 of 2004**, the Department is required to seek and maintain forestry certification by January 1, 2006. She reported that the Department is **seeking dual certification** under the Sustainable Forestry Initiative and the Forest Stewardship Council. Ms. Boyd reported that the certification process is **on track** and that dual certification should be in place by the first of the year.

HISTORICAL OVERVIEW OF FOREST FINANCE AUTHORITY ACTIVITIES

Ronald Murray, State Forester for the Department of Natural Resources, gave a **brief overview of the history and activities of the Forest Finance Authority**. Mr. Murray noted that while those activities included a **review of potential DNR regimes** that could have been used to support a bond issuance, the Authority in fact **never issued any bonds**. Mr. Murray did not know the specific reason that bonds had never been issued but suspected that it **related to the availability of alternative revenue sources at the time**.

PUBLIC COMMENT

There were no members of the public present that wished to offer public comment.

SCHEDULE OF MEETINGS

The next meeting of the Authority Board will be held in early October on a date mutually agreeable to a majority of the Board members. The Board discussed **topics it wished to be addressed at future meetings of the board, including a review of the bonding process available to the authority, global forest economic trends, state forest valuations, and utilization of current forest resources**.

ADJOURNMENT

The meeting was adjourned at 4:35 p.m., by motion of Shawn Hagan and support by Warren Suchovsky.